

'India-US annual trade can more than double to \$500 b'

Amiti Sen
New Delhi

India-US bilateral trade has the potential to increase to \$500 billion annually, from the current \$200 billion, riding on direct investments, joint ventures, partnerships, educational exchanges and tourism, Eric Garcetti, US Ambassador to India, has said.

The two countries need to give more geographical preference to each other on trade, as India did in the case of iPhones and may do with Tesla, Garcetti said at a seminar organised on Tuesday by the Indo-American Chamber of Commerce on strengthening Indo-US relationship.

Garcetti's reference to Tesla indicates that the US EV giant may be close to reaching a deal on India entry.

"Thanks to US Trade Representative Katherine Tai's leadership, we have now resolved all seven of our WTO disputes (with India). Our relationship has gone from cynical to sceptical to neutral to positive and ambitious about what we can accomplish together..." he said.

"Let us just try that. Just as India did so marvellously with the iPhone and soon may do with Tesla. Let us see if we can do with the entire country and



Eric Garcetti, US Ambassador to India

vice versa. Ask it of us, so that India gets that preferential treatment when it comes to strategic and critical minerals that we need in our supply chain..." the envoy said.

FDI FLOWS SHIFT

India needs to change its export policy and export controls if it wants to achieve its goals and attract more investments, Garcetti said. "We want FDI from China to shift here. FDI is not flowing into India at the pace it should be. Instead, it is going to South Asia, to Vietnam. I would selfishly want to see more of that happening to India. But for that I need your help."

Highlighting that CEOs of most top US companies were looking at India for investments but "opaque tax structures" were still a barrier, he said: "When we break down the walls, whether they are bureaucratic, taxation, regulatory, or part of our federal system, it can only release more jobs, prosperity and strength."